



CITY OF FORT LAUDERDALE

Approved
MEETING MINUTES
CITY OF FORT LAUDERDALE
AFFORDABLE HOUSING ADVISORY COMMITTEE
100 NORTH ANDREWS AVENUE
CITY COMMISSION CHAMBERS
1ST FLOOR CITY HALL
MONDAY, MARCH 14, 2022 – 9:00 A.M.

Cumulative

Board Members	Attendance	January-December 2022	
		Present	Absent
Brandon Stewart, Chair	P	3	0
William Condon	P	3	0
Leighton Lindo	A	0	1
Donnalee Minott	A	0	3
Margi Nothard	P	2	2
Edwin Parke	P	3	0
Reed Solberg	A	2	0
Ryan Wipplinger	P	3	0
Mayor Dean Trantalis / Scott Wyman, Alternate	P	3	0

Staff

Avis Wilkinson, Housing Programs Administrator/Staff Liaison
Rachel Williams, Housing Manager
Jamie Opperee, Recording Secretary, Prototype, Inc.

Communication to the City Commission

None.

I. ROLL CALL / DETERMINATION OF A QUORUM

Chair Stewart called the meeting to order at 9:04 a.m. Roll was called and it was noted a quorum was present.

II. APPROVAL OF MINUTES – February 14th, 2022

Motion made by Mr. Condon, seconded by Mr. Parke, to approve the minutes. In a voice vote, the **motion** passed unanimously.

III. OLD BUSINESS

- **Affordable Housing Trust Fund Balance – Avis A. Wilkinson**

Ms. Wilkinson stated that as of today's date, the undesignated Affordable Housing Trust Fund balance remains \$334,621 in unencumbered funds. The increase is due to the sale of a City-owned residential property, as well as interest earned.

Chair Stewart requested a brief update on the Local Housing Assistance Plan (LHAP). Ms. Wilkinson replied that this plan would be on the next regular City Commission meeting Agenda

Chair Stewart also asked for any new information regarding a Habitat for Humanity project in Fort Lauderdale. Ms. Wilkinson advised that while there is no information at this time, this project is still planned. More information will be available at a later date.

IV. NEW BUSINESS

- **Updates on Broward County Affordable Housing – Ralph Stone, Executive Director of HFP & HFA, Broward County**

Ralph Stone, Executive Director of Broward County's Housing Finance Program (HFP) and Housing Finance Authority (HFA), gave a PowerPoint presentation based on a 2018 County-wide needs assessment performed by Florida International University (FIU). This assessment is currently in the process of being updated with new census information. The update is expected to be complete by summer 2022.

Mr. Stone advised that affordable housing has become a more mainstream issue in recent years than in the past. Miami has been recognized as the least affordable city in the United States. This is based on the gap between the city's median wage and median home price: in Miami, a median wage-earner would need to spend over 70% of their income on housing in order to afford a home at the median price.

Mr. Stone continued that when the median home price in Broward County was \$355,000, only 12.7% of all households in the County could afford this price. Since that time, the median home price has risen to \$500,000, and the percentage of homes that can afford this price is expected to drop into single digits. In addition, 54% of all workers throughout Broward County are earning below 60% of the area median income (AMI). This puts Broward last in the state of Florida. It is also the only county in the state with fewer than 25 affordable units for every 100 residents at 60% of AMI.

In 2010, both block grant funds and HOME funds were cut 30% and 40% respectively by the federal government. In addition, the Florida Legislature swept all monies from its Sadowski Trust Fund, which is intended for use toward affordable housing. In 2019, the state has still not recovered, with only half of the resources available in 2008. In 2021, the Florida Legislature passed a law that precluded the sweeping of funds from the Sadowski Trust Fund; however, they capped this fund at 50% of collections.

In response to the lack of available resources, the Broward County Board of County Commissioners developed a means to create the opportunity for gap financing. There has been almost no funding for multi-family development, which is very expensive. The Commissioners decided to take half of the County's returning money from the 13 expiring tax increment funding (TIF) areas in Broward County and allocate it toward affordable housing. Over time, these collections are expected to grow as high as \$40 million.

A number of Broward municipalities, including Fort Lauderdale, have also taken steps to assist in affordable housing. In addition to the update of the 2018 needs assessment, rational nexus studies were done in 2019 for both commercial and residential development. These studies show how many units would be generated by this development based on square footage: for every 100,000 sq. ft. of new commercial development, the demand for seven new affordable units is generated. The same demand would also be generated for every 100 market-rate residential units.

The Board of County Commissioners also led an effort to approve a County-wide land use framework that would allow residential development along older commercial corridors, particularly in areas previously occupied by strip malls or "big box" retail. There is also a condition that would include a certain amount of affordable housing. The Florida Legislature took similar steps in 2021.

Mr. Stone characterized the state's 9% tax credit program as a "gold standard" for projects: \$24.9 million is available to 11 projects every year for 10 years. This subsidizes the cost of construction, as well as the rent levels for 30 to 50 years. In the 2021 budget, the County allocated funds from the American Rescue Plan Act (ARPA) to nine projects, which totaled 1025 units. \$47.255 million in gap funding was used, \$40 million of which came from ARPA and the rest from the Affordable Housing Trust Fund.

Another \$13 million in HOME grant funds will soon be available, and a notice of funding will be posted for them. These dollars will target at-risk populations rather than general renters. \$5 million has been made available to small nonprofits, and \$1 million will go toward a revolving loan fund for single families.

Mr. Stone noted that a significant amount of County grant funding assists single-family homes with minor home repairs and purchase assistance. The County also transfers a number of vacant lots they own to the cities in which they are located, while also retaining similar lots in unincorporated areas of Broward. Over the last 10 years, more than 100 homes have been built in unincorporated areas. These lots were transferred to a number of nonprofits, which also received \$20,000 in pre-development costs and free house plans. HFA has provided \$1 million to the revolving loan fund for new infill construction.

Chair Stewart asked for more information regarding developers' tendencies to create multi-family rental housing, and how these tendencies affect the County's and City's abilities to provide affordable housing. Mr. Stone advised that developers have little choice but to pursue multi-family development, as there is little to no vacant land

remaining for single-family development. In addition, Broward County is deficient in rental units, particularly those which are affordable but including market-rate units as well. This affects employers' ability to recruit or retain employees, as there is less of an opportunity when prospective employees cannot afford homes.

Mr. Wipplinger asked where an individual would find information on how they would qualify for affordable housing. Mr. Stone stated that 80% of AMI is considered low-income: to determine affordability, the individual's salary would be divided by 12 and then multiplied by 80% to determine their income housing allowance. He reiterated that the goal is for this allowance to remain within 30% of income. This information is also available through the City's housing programs as well as nonprofit organizations.

Ms. Wilkinson explained that the U.S. Department of Housing and Urban Development (HUD) creates income limits by considering the total number of persons in a household as well as their total gross income. While Broward County provides some assistance to households with moderate incomes, Fort Lauderdale focuses on low-income households.

Mr. Condon requested clarification of the term "small nonprofits." Mr. Stone advised that these include HOMES, Inc., the Urban League, Neighborhood Housing Services, and similar organizations. Ms. Wilkinson further clarified that all Community Housing Development Organizations (CHDOs) are also included in this designation.

Chair Stewart asked for more information on the cooperation between Fort Lauderdale and Broward County with respect to projects located within the City. Mr. Stone replied that it is not unusual for multi-family developments to reach out to multiple potential funding partners, such as the City, a Community Redevelopment Agency (CRA) where applicable, and the County. The County has historically provided financing on a competitive basis. In some cities that have land available, the value of the land itself served as gap funding. Fort Lauderdale in particular has Staff that are knowledgeable in how to best navigate these deals and work with the County.

Chair Stewart asked if the County gets financing dependent upon the 9% tax credit. Mr. Stone stated that historically, gap funding applications that qualified for the 9% credit were preempted from applying for additional assistance; however, there are now projects being underwritten that use this 9%. The County is waiting to see the results of the underwriters' analysis of these projects.

Chair Stewart asked which Broward municipalities' initiatives seem to be providing the most traction at present. Mr. Stone replied that the most motivated plans seem to be on the older Broward County development corridor from Federal Highway to I-95, north to south along the length of the County. These areas may have available land, as well as a demand for more housing stock.

Ms. Nothard requested additional information on the numbers of City units available in certain areas, such as the Downtown. Mr. Stone replied that some years ago, the Board

of County Commissioners approved a pool of 5000 units for the Downtown Regional Activity Center (RAC), with the condition that 15% of these units be set aside for affordable housing. In addition, 350 of these affordable units must be available before the City can access the second half of the market-rate pool of units.

Mr. Parke commented that the city of Parkland does not seem to be contributing significantly toward affordable housing. Mr. Stone stated that Parkland has agreed with the County that when some of its former farmland is developed, they are required to set aside or make payment in lieu of affordable units. They pay into the Local Housing Mitigation Account, which is controlled by the County.

Mr. Stone continued that Community Development Block Grant (CDBG) funding assists specific census tracts with low- and moderate-income populations. Parkland does not have any such tracts, and therefore do not benefit from CDBG funding.

Chair Stewart asked where the City might be able to make the biggest impact with regard to affordable housing. Mr. Stone replied that this ultimately comes down to resources, whether they are in the form of a commitment from the Downtown RAC or other sources. At present, Broward is one of the worst metropolitan areas nationwide for affordable housing. These other communities may be taking steps to address affordable housing from which Florida municipalities have been preempted by the State Legislature. These include efforts such as inclusionary zoning, impact fee Ordinances, and set-asides. These steps are all contingent upon the existence of a robust market that can absorb these costs.

Chair Stewart asked if there are programs to help residents who are currently in affordable housing maintain this housing. Mr. Stone confirmed this, stating that 100% of HOME and State Housing Initiative Partnership (SHIP) dollars in most Broward municipalities go toward home repair or purchase assistance. Hardening of buildings may include new roofs, air conditioning units, and hurricane-resistant windows and doors, among other considerations.

Ms. Nothard requested a copy of today's presentation. Ms. Wilkinson advised that she would send copies to the Committee members. Mr. Stone concluded that the updated FIU study will be available within the next few months.

Mr. Stone noted that the goal is for a family to spend no more than 30% of their income toward housing, with 15% the goal for gasoline or transportation costs. He pointed out that this predates the current inflation of gasoline prices.

Ms. Wilkinson noted that some CRAs in the City have already expired, which means the County is receiving TIF dollars that previously went to that agency. Mr. Stone clarified that the City is also receiving 50% of these dollars. The Board of County Commissioners has decided to allocate its half for affordable housing and gap financing each budget year. As CRAs throughout the County continue to expire, more funds will be added to this revenue

stream. The percentage that remains with each city will go back to that city's General Fund unless they designate another use.

Ms. Wilkinson asked if the HFA is considered part of Broward County government. Mr. Stone clarified that this is a semi-autonomous organization which serves as an enterprise fund. The revenue generated by bond deals operates the agency. Any funding the HFA expends goes to the Board of County Commissioners for approval. He clarified that the HFA is separate from any Housing Authorities in the County.

V. AGENDA TOPICS FOR NEXT MEETING

Chair Stewart suggested that a representative of Urban Design and Planning be invited to provide the Committee with a brief update on affordable housing, including the allotment of units to the Downtown RAC. The Committee will also continue its work on the Affordable Housing Incentive Report. Ms. Wilkinson encouraged the members to review the manual she has sent them, targeting one to two proposed incentives or suggesting new incentives for presentation to the City Commission.

VI. GOOD OF THE ORDER

None.

VII. NEXT SCHEDULED MEETING DATE – April 11, 2022

VIII. ADJOURNMENT

There being no further business to come before the Committee at this time, the meeting was adjourned at 9:56 a.m.

Any written public comments made 48 hours prior to the meeting regarding items discussed during the proceedings have been attached hereto.

[Minutes prepared by K. McGuire, Prototype, Inc.]